

STATE OF INDIANA PROCUREMENT PREFERENCES

Absolute Preferences

Promotion of purchase of supplies manufactured in the United States (IC 5-22-15-21, 25 IAC 1.1-3)

The statutes require that only United States manufactured products be acquired for public use, except articles, materials, and supplies as determined by the Commissioner or designee. Any business which makes an offer, a proposal, or a bid for the purpose of seeking the preference shall certify under the penalties of perjury that it is offering United States manufactured products within the meaning of this rule.

If yes, the bidder must certify under penalties of perjury that each of the bidder's end products are an U. S. Manufactured Product as stated in IC 5-22-15-21. A product is manufactured in the United States, if the cost of its components mined, produced, or manufactured in the United States exceeds 50% of the cost of all its components. (In determining if a product is manufactured in the United States, only the product and its components shall be considered.)

Steel Products Preference (IC 5-22-15-25)

(NOT applicable for purchases less than \$10,000 and made under the small purchase policies.)

If any steel products are used in the manufacture of the supplies required under the contract; or supplies used in the performance of the services under the contract by the contractor or a subcontractor of the contractor; the steel products must be manufactured in the United States.

Absolute Preference to Coal Mined in Indiana (IC 5-22-15-22)

This statute requires that whenever a purchasing agent purchases coal for use as fuel, the purchasing agent shall give an absolute preference to coal mined in Indiana.

Allowable Price Preferences

Per IC 5-22-15-7 - An offeror may claim **one (1)** of the following types of preference for which the offeror is eligible:

1. An Indiana business preference (IC 5-22-15-20.5)
2. A price preference for supplies that contain recycled or post-consumer materials (IC 5-22-15-16)
 - A price preference for soybean oil based ink (IC 5-22-15-18)
 - A price preference for soy diesel/bio diesel (IC 5-22-15-19)
 - A preference for foods and beverages that contain high levels of calcium (IC 5-22-15-24)

An offeror **may not claim more than one (1) preference, from (2) above** for a given supply.

3. An Indiana small business preference (IC 5-22-15-23)

Price Preference Details

Indiana Business Preference (IC 5-22-15-20.5)

There are the following price preferences for supplies purchased from an Indiana business:

Five percent (5%) for a purchase estimated by the state agency to be less than \$500,000.

Three percent (3%) for a purchase estimated to be at least \$500,000 and less than \$1,000,000.

One percent (1%) for a purchase estimated to be at least \$1,000,000.

Per IC 5-22-15-20.5(f) a business that wants to claim a preference provided under this section must do **all** of the following:

- (1) State in the business's bid that the business claims the preference provided by this section.
- (2) Indicate under which provision you are claiming to qualify as an Indiana business and then fully complete the Indiana Economic Impact Form (State Form # 51788) and include it with your bid/proposal

A price preference for supplies that contain recycled or post-consumer materials (IC 5-22-15-16)

This preference does not apply when the purchase description is limited to a supply that contains recycled materials or post-consumer materials.

A 15% preference may be applied for evaluation purposes, unless stated otherwise in the purchasing specifications. The amount of the recycled content required for the product requested in this solicitation is listed in the specifications. If the required recycled content is not listed in the specifications, then the items must contain recycled content of at least 20% in order for the vendor to claim the recycled preference.

The amount of the offer will be multiplied by the amount of the preference amount claimed. This calculated amount is then deducted from the original offer to determine the evaluation amount to consider. The preference is for evaluation only and is not a discount. The Procurement Director or designee will utilize the adjusted price as determined in the above explanation in determining the overall lowest responsible bidder or offeror. The contract award will be made to the lowest responsible, responsive offeror whose total adjusted offer is the lowest meeting all specifications. The amount originally offered will be the amount of the award.

A manufacturer's certification must be submitted for each item or group of items for which the offeror is seeking a preference or the preference may not be considered.

A price preference for soybean oil based ink (IC 5-22-15-18)

There is a price preference of 10% for soybean oil based ink. This section does not apply when the purchase description is limited to soybean oil based ink.

A price preference for soy diesel/bio diesel (IC 5-22-15-19)

There is a price preference of 10% for soy diesel/bio diesel. The preference applies to a purchase of fuel of which at least 20% by volume is soy diesel/bio diesel.

The preference does not apply when the purchase description is limited to a fuel of which at least 20% by volume is soy diesel/bio diesel.

A preference for foods and beverages that contain high levels of calcium (IC 5-22-15-24)

High calcium foods and beverages are preferred supplies. A purchasing agent shall give a preference to foods and beverages that contain a higher level of calcium than products of the same type and quality; and are equal in price to or lower in price than products of the same type and quality.

Indiana Small Business Preference (IC 5-22-15-23)

An Indiana Small Business Preference of 15% may be applied for evaluation purposes.

The amount of the bid will be multiplied by the amount of the preference amount claimed (15%). This calculated amount will then be deducted from the original offer to determine the evaluation amount to be considered. The preference is for evaluation only and is not a discount. The Procurement Director or designee will utilize the adjusted price as determined in the above explanation in determining the overall lowest responsible bidder or offeror.

To claim the Indiana Small Business preference of 15% offeror must meet all of the following criteria:

- The business must meet the definition of an Indiana business as set out in IC 5-22-15-20.5.
- The bidder must qualify as a Small Business concern under the size standards of this solicitation. The offeror should be registered with the Procurement Division as a Small Business concern with the defined area qualification.

Providing false information will be subject to the sanctions found in IC 4-13-1-21 and IC 35-43-5-11.

PROCUREMENT PROHIBITION

IC 5-22-15-24.2 Forced Labor; Supplies Prohibition

If an offeror offers to furnish supplies made in a country other than the United States, a governmental body may not award a contract to the offeror for those supplies if the supplies were made using forced labor. As used in this section, “forced labor” has the meaning set forth in 19 U.W.C. 1307.